

Mark Talbot

From: Shane Ellis [sellis@laeng.com]
Sent: Tuesday, November 22, 2005 9:03 AM
To: 'Mark Talbot'
Subject: Cost estimate for reclamation dirt work for Alpine Gems

Mark,

I talked to two different excavating companies on the phone to get a budgetary number for the dirt work. The numbers were based on the location of the sites (approx. 20 miles south of Cannonville, Utah) and the assumption that no dirt would need to be brought in or hauled out.

The first company was R&W Excavating out of St. George, Utah. The price I received from them was \$3/yard, plus a mobilization fee of \$1250 dollars. The \$3/yard was for cut and fill as one process, as the dirt does not have to be hauled in or out to/from a distant location. I got a quote faxed to me based on 1000 cubic yards of cut and fill (for a total of \$4250) as that was our original estimate. The estimate was increased to 2800 cubic yards as more information was received from the surveyors. Thus the total cost quoted for 2800 cubic yards of cut and 2800 cubic yards of fill in the same area was $2800 \times \$3 = \8400 plus the mobilization fee of \$1250, for a total budgetary number of \$9650.

The second quote I received was very similar. It was from a company called Jackson Excavating out of Bicknell, Utah. The price I received from them was \$3/yard, plus a mobilization fee of \$800 dollars. The \$3/yard was for cut and fill as one process, as the dirt does not have to be hauled in or out to/from a distant location. Thus the total cost quoted for 2800 cubic yards of cut and 2800 cubic yards of fill in the same area was $2800 \times \$3 = \8400 plus the mobilization fee of \$800, for a total budgetary number of \$9200. I did not get anything faxed to me, but these are the numbers he gave me over the phone.

I think if we use \$3/yard for the cut/fill (\$8400 total) and the higher cost of the mobilization fee (\$1250), that should be give us a fairly good estimate (a total of \$9650).

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